

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

2005 Tax Filing Season Sets Records

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WASHINGTON — The Internal Revenue Service announced today the recently completed 2005 filing season set a series of records, highlighted by 66 million tax returns being filed electronically this year and home computer usage surging 17 percent.

The jump in e-filing reflected a big upswing in the use of a variety of electronic services. The IRS saw new records for Free File and other e-file categories along with major increases in the use of IRS.gov and "Where's My Refund."

"The IRS saw a strong, smooth filing season across the board," said IRS Commissioner Mark W. Everson. "The filing season results confirm what we've said all along. For the first time, more than half of all taxpayers filed electronically. Paper filers are now in the minority."

"I'd like to thank IRS workers, tax professionals and tax volunteers for putting in long hours during the tax season. Their hard work, coupled with the growth in electronic services, made this one of the best filing seasons we've ever seen."

The 66 million e-file returns accepted through April 20 topped the 62 million electronic returns received for all of 2004. The agency expects the e-file number to increase before the close of the e-file season in October. Taxpayers who filed for extensions can use e-file until August 15. E-file is also available for taxpayers who get an additional extension until Oct. 17.

Through April 20, 2005, the IRS had received:

- 66 million returns through IRS e-file – up almost 11 percent from the same time last year.
- 5.01 million Free File returns – a 46.2 percent increase from the same period last year (3.43 million returns). Free File represents 30.1 percent of returns filed on-line, up from 24.1 percent for the same period last year. Free File accounts for 7.6 percent of all e-file returns compared to 5.8 percent for the same period last year.

- 16.7 million taxpayers filed from a home computer – up 17 percent from the same time last year and 2 million more than for all of 2004. The IRS will continue to receive returns filed from home computers until October.
- 46 million returns from tax professionals, up more than 10 percent from the same period last year.

By April 22, the IRS had issued 84.7 million refunds averaging \$2,144 per refund. More than half – 49.4 million – were issued through direct deposit, representing a 7 percent increase from last year. Direct deposit gets refunds to the taxpayer a week sooner than issuing a check.

In addition, the IRS saw a big increase in tax payments with a credit card. Nearly 928,000 paid by credit card, a 57 percent increase from the same period in 2004.

There were almost twice as many visits to the IRS Internet site – IRS.gov – this filing season than last. So far this year, there have been 111 million visits to IRS.gov compared to 55.7 million for the same period last year.

Almost 46 percent more people used “Where’s My Refund?” on IRS.gov this year than last. By April 24, 17.6 million people had used “Where’s My Refund?” compared to 12.1 million for the same period last year.

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[Tax Filing Season Statistics are on the following page.]

2005 FILING SEASON STATISTICS

Cumulative through the week ending 4/23/04 and 4/22/05

	<u>2004</u>	<u>2005</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	119,935,000	120,133,000	0.2
Total Processed	98,691,000	100,299,000	1.6
E-filing Receipts:			
TOTAL	59,576,000	65,961,000	10.7
TeleFile (phone)	3,755,000	3,280,000	-12.6
Computer	55,829,000	62,681,000	12.3
Tax Professionals	41,612,000	46,013,000	10.6
Self-prepared	14,209,000	16,668,000	17.3
Total Refunds:			
Number	85,326,000	84,741,000	-0.7
Amount of principal	\$176.855 billion	\$181.711 billion	2.7
Average refund	\$2,073	\$2,144	3.5
Direct Deposit Refunds:			
Number	46,179,000	49,400,000	7.0
Amount	\$112.496 billion	\$125.098 billion	11.2
Average	\$2,436	\$2,532	4.0